

**HOPE VALLEY/WYOMING FIRE DISTRICT**

**996 MAIN STREET**

**HOPE VALLEY, RI 02832**

**MONTHLY BOARD MEETING**

**FEBRUARY 11, 2016**

**7:00 P.M.**

**Those present:** Board Members: Chairperson, Pasquale DeBernardo, Vice-Chairperson, Elwood Johnson, Georgia Ure; Chief, Justin Lee; Treasurer, Deborah Nicotra; Tax Collector, Sue Bok; District Clerk, Julie Kelley, Auditors, Mr. Jeffrey Wadovick, Mr. Robert Salmani and Mr. Robert Civetti.

**Those not present:** Board Members: Paul Schaarschmidt, John Weeden.

**1. CALL TO ORDER**

The meeting commenced and was called to order by Chairperson, Pasquale DeBernardo at 7:00 p.m. with a salute to the flag and a moment of silence.

**2. APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

The Executive Session minutes of the December 10<sup>th</sup> Special Board Meeting were discussed for final approval and to vote on keeping the minutes sealed until further notice. Ms. Ure motioned to accept the Executive session minutes as presented and Mr. Johnson seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

The Open Session minutes of the January 14<sup>th</sup> Monthly Board Meeting were presented. Ms. Ure motioned to accept the minutes as presented and Mr. Johnson seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

The Executive Session minutes of the January 14<sup>th</sup> Special Board Meeting were presented. Ms. Ure motioned to accept the minutes and Mr. Johnson seconded the motion. The minutes are to remain sealed until further notice. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

**3. TAX COLLECTOR'S REPORT – COLLECTED AND OUTSTANDING TAXES**

The Tax Collector's report was presented for January 2016 reflecting all collected and outstanding taxes. Ms. Bok reported that as of today, the district has collected \$705,512.20 to date. Mr. DeBernardo indicated to the board that as of today \$64,000 is still uncollected. The board inquired whether this year is better for collections vs. last year? Ms. Bok indicated that collections appear to be better than last year. Ms. Ure motioned to accept the Tax Collector's report and Mr. Johnson seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

**4. AUDITOR'S REPORT**

The Auditor informed the board that a letter has been submitted to the state for an extension for completion of the audit since the reports were not submitted by December 31<sup>st</sup>, 2015. It was also reported that there were no issues with the district but wanted to inform them of why there was a delay, as there are now new standards for Municipalities that now have the same financial reporting as towns do.

The Auditor explained that our previous Audit reports were performed by a non-licensed CPA and could not rely on the previous reporting. Only licensed CPA's can provide audits. The Fund Balance in 2014 differs from the previous report, as the past reporting does not tie into the new reports because they did not meet the government standards.

As of June 30<sup>th</sup> they reconciled the Receivables to provide an opinion on 2015 and they are very confident in the 2015 numbers. This Audit is to Government Accounting. There are two sets of financial statements, the Accrual Method of accounting and Modified Cash Method.

Pages 1, 2, & 3, Independent Auditors' Report, This is an opinion analysis and Management Discussion which is eligible to be omitted, as it is not required.

*Corrections to be made: Date reported to be filled in, and Town changed from Hopkinton to Hope Valley.*

Page 6, Balance Sheet/Governmental Funds as of June 30<sup>th</sup>, 2015. Assets less Liabilities equals the Fund Balance. The Taxes receivable net, in the amount of \$82,917.00 less the Unavailable property tax revenue of \$74,303.00, the difference represents the 60 days of collections that came in after June 30<sup>th</sup>, 2015. The Fund Balance cumulative surplus reflects \$508,825.00. This is very high and shows that the district is financially strong. A healthy number according to the Government Finance Office association usually likes it to be around 15% of your budgeted revenues.

Page 8, Statement of Revenues, Expenditures and Changes in Fund Balances/Governmental Funds as June 30<sup>th</sup> 2015. This statement reflects everything that happened up to June 30<sup>th</sup> for the year. This report reflects profit of \$56,825.00 showing a positive year. The Fund Balance as of July 1, 2014 being \$474,496.00. The Fund Balance as of June 30, 2015 being \$531,321.00, which includes back taxes as well. The Fire Prevention number of \$5,215.00 represents things like Fire helmets, pamphlets etc.

Page 10, Notes to the Financial Statements as of June 30<sup>th</sup>, 2015. This is a summary detailed information that the Auditor general will review.

Page 14, Notes to the Financial Statements (Continued) as of June 30<sup>th</sup>, 2015. This is the definition of Fund Balance, equity classifications. Committed Fund Balances. This is where you can commit for certain expenditures, capital projects etc. This report also lists the five (5) Fund Statement Classifications.

Page 17, Notes to the Financial Statements (Continued) as of June 30<sup>th</sup>, 2015.

*Correction to be made: The District has a minimum tax of \$10.00.*

Page 18, Notes to the Financial Statements (Continued) as of June 30<sup>th</sup>, 2015. This report reflects the Capital Assets for the district. The Chief had to recreate an actual dollar value on the building. On the apparatuses it is the cost then depreciation on only anything greater than \$10,000.00. The district has two (2) different inventories, small items, then anything over \$10,000.00.

Page 19, Notes to the Financial Statement (Continued) as of June 30<sup>th</sup>, 2015. This page reflects debt and general obligations to loans. It was discussed that in November we refinanced our loans and have consolidated them to two (2) loans reducing the interest rate to 4% and thereby reducing the debt. A footnote of this consolidation and refinancing of the debt will be noted in the Audit report.

Page 20, Notes to the Financial Statement (Continued) as of June 30<sup>th</sup>, 2015. This page reflects the Operating Lease we have with Verizon Wireless.

*Correction to be made: Insert a note that the District refinanced two of its debts and to correct the Chart, for Year 2016 to 2020, which should be \$15,000.00, not \$30,000.00.*

Page 22, Notes to the Financial Statement (Continued) as of June 30<sup>th</sup>, 2015. This page reflects Defined Benefits Pension Plan. Within pages 22 through 28 we have to disclose net pension asset and payment of the pension. This report also reflects the new retirement age for the State of RI (MERS) that was revised.

Page 26, Notes to the Financial Statement (Continued) as of June 30<sup>th</sup>, 2015. This page reflects the Net Pension Liability and the balance as of June 30, 2014. The State paid for an Actuary Study for each community. Currently, this district's Pension Plan is overfunded. This money is in a Trust, which cannot be taken.

Page 29, Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual General Fund – Budgetary Basis as of June 30<sup>th</sup>, 2015. This is one of the pages to look at as it reflects overall how we did for the year reflecting a surplus of \$56,825.00.

Page 35, Other Supplementary Information Schedule of Property Taxes Receivable as of June 30<sup>th</sup>, 2015. This document is not required but the state and the auditor likes to have it in the report. It also reconciles receivables as of June 30<sup>th</sup>. The property taxes reflect higher revenue on this report vs. the Treasurer's Report due to past taxes. The report reflects balances, as of June 30<sup>th</sup>, 2015, for all the years, this report is a good representation of what has happened in regards to collections.

*Correction to be made: Under Reconciliation of Current Year Property Tax Revenue, Should read Revenue collected within 60 days subsequent fiscal year ending June 30, 2015.*

Page 36, Independent Auditors' Report of Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in accordance with Government Auditing Standards. This is the Auditor's opinion, which is not required but actually an extra step. There are no issues from this audit standing.

*Correction to be made: Town should be noted as Hope Valley, Rhode Island.*

Mr. Johnson motioned to accept the Auditors' Report for Fiscal Year End as of June 30<sup>th</sup>, 2015 as corrected with amendments made to Pages 1, 3, 17, 20, 35, & 36 as discussed and Ms. Ure seconded the motion. Discussion: The Auditors' encouraged the District to continue working with Mr. Robert Civetti to continue to have a second pair of eyes to assist with the financial statements. It was discussed that the changes would be made on February 12<sup>th</sup> and once accepted with the corrections a Final Paper and Electronic copy will be submitted to the State Auditor General's office and Municipal Affairs. The final accepted document is to be signed by the Chair and the Treasurer. The auditors' indicated that they would like to meet in June 2016 in preparation for next years audit. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

#### **5. TREASURER'S REPORT – MONTHLY BILLS & EXPENDITURES**

The Treasurer's Report was presented for January 2016. The board reviewed the reports.

Mr. Johnson motioned to accept the January Treasurer's Report as presented and Ms. Ure seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

#### **5. CHIEF'S REPORT – EQUIPMENT, BUILDING, SEMINARS**

Chief Justin W. Lee's monthly report was presented for December 2015.

##### **Personnel**

Chief Lee commented that the district would soon have another vacancy for a Lieutenant. Lieutenant Trenton will be moving to CT and will be unable to fulfill his required duties.

##### **Budget**

Chief Lee has been working on the budget. We are still in line with the exception of our Truck Maintenance, which has been discussed and reflected on the Treasurer's report. Engine 913 had a faulty wiring harness, the repair bill has been negotiated to \$2,157.30 for the 1<sup>st</sup> visit, and the repair bill for the road charges, and labor and parts will be covered by Minuteman Trucks. The ladder truck NFPA test passed with only a couple of minor issues with the rear and front springs. The wheels were taken off and the cost for repair will be \$2,300.00.

##### **Incidents**

There was a Woodmansee Incident on January 27<sup>th</sup> regarding a propane incident. The district responded and found approximately 25 cylinders ready to be scrapped, each had their valves cut off. It was found to have approximately ten (10) cylinders to still have levels of propane in them, which was leaking gasses into the area. A meeting is to be scheduled with Woodmansee and the Fire Marshall to review their current safety policy.

##### **Meetings**

Chief Rick Petrin of Little Compton Fire Department was sworn in recently as the new President of the RI Association of Fire Chief's.

##### **General**

During a recent storm, our trucks dug out fire hydrants. There were also sixteen (16) incidents; this was a very active time with everyone doing a great job.

#### Dawson Group

There have been thirteen (13) reports submitted along with Police reports. At this time, no money has been received.

#### Maintenance/Park

In preparation of spring, we are beginning to look at both push mowers and riding mowers.

#### Verizon Tower

Verizon Wireless has not sent us a check, it may be submitted via EFT. The commencement date on the tower looks to be in the April/May timeframe.

#### Retirement

Chief Lee has talked with our attorney, Mr. Richard Panciera. We will review these issues in Executive session in an upcoming Monthly board meeting.

Ms. Ure motioned to accept the Chief's report for January 2016 and Mr. Johnson seconded the motion. With no further discussion, all in favor, all aye, motioned passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

### **6. CORRESPONDENCE – INCOMING & OUTGOING**

#### Incoming:

1. Letter addressed to All Agencies, from Chief Michael J. Frink, regretfully announcing the passing of Retired Chief Richard "Cappy" Champlin.

#### Outgoing:

1. Letter addressed to Rina DiBenedetto, CPA, from Mr. Pasquale F. DeBernardo, Board Chairperson, Hope Valley/Wyoming Fire District regarding the Hope Valley/Wyoming Fire District Audit Extension.
2. Letter addressed to Nadeau Wadovick LLP, from the Hope Valley/Wyoming Fire District regarding audit of the financial statement of the Hope Valley/Wyoming Fire District.

### **7. REPORTS OF COMMITTEES**

#### New Ladder Truck

The ladder committee did not meet due to the winter storm. A recent visit by Smeal and a truck was displayed for the members to view. The district found the truck was not adequate for our needs based on the expertise of our members. We are expecting two (2) more trucks to visit and be on site for viewing in the near future.

### **8. APPOINTMENT OF COMMITTEES**

We have had a posting listed within the community for a month with a deadline of January 20<sup>th</sup>, 2016. We have received three (3) volunteers that have expressed an interest to be part of the New Charter Committee.

Ms. Ure motioned to accept the appointment of Mr. William Day, Mr. Ron Mochan, and Mr. Nick Iannone to be part of the New Charter Committee to make changes to the current charter of the Hope Valley/Wyoming Fire District and Mr. Johnson seconded the motion. Discussion: Mr. DeBernardo, Chair, recommended that the new members review the Charter and see where they would like to see changes made. While making these new amendments, the board would like to see that the previous amendments be put into the document where appropriate to form a more uniform document. This board foresees that this project could take up to a year for completion. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

### **9. OLD BUSINESS**

No old business before the board this evening.

### **10. NEW BUSINESS**

No new business before the board this evening.

### **11. PUBLIC FORUM**

No public forum this evening.

### **12. OTHER BUSINESS**

No other business before the board this evening.

**13. EXECUTIVE SESSION UNDER RI GENERAL LAWS §42-46-5 (a)(1)-(10))**

No Executive Session this evening.

**14. ADJOURN**

A motion was made to adjourn at 8:31 p.m. by Mr. Johnson and seconded by Ms. Ure. With no further discussion, all in favor, all aye, motion passed unanimously (3-0).

Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Johnson-yes

Respectfully submitted,

Julie Kelley  
District Clerk